Nova Scotia Environment & Labour
Business Plan

2004-05

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MESSAGE FROM THE MINISTER

On behalf of Nova Scotia Environment and Labour, I am pleased to present the Department's business plan for 2004-05.

This is a large and varied department, with one-third of our staff located across the province in the communities they serve. We have regulatory responsibility for a broad range of issues in addition to environment and labour, including financial services, pensions, and alcohol and gaming services.

When I came to Environment and Labour almost a year ago, I was immediately impressed with the variety and complexity of work managed by staff. This year's Business Plan does not capture every good initiative we have in place; however, it certainly represents well our core business - the promotion and protection of those things we value most: the environment, health and safety, employment rights, and consumer interests.

This new fiscal year does not see the department embarking on new or solitary projects. Rather, it sees us continuing to meet commitments on a variety of essential activities, such as the Drinking Water Strategy, air quality management, and wilderness and natural areas protection. It sees us continuing to implement auto insurance reforms and the regulation of auto insurance rates through the new Nova Scotia Insurance Review Board. And it sees us exploring partnerships and continuing our commitment to public consultation, as we work to meet our objectives.

This plan is both aggressive and realistic. It sets the direction for Environment and Labour to build upon its past accomplishments and to continue to deliver the best possible services for our clients.

It's my pleasure to lead the department as we implement the important objectives that we have set for ourselves in 2004-05.

Kerry Morash
Minister

A. Mission

The mission of Nova Scotia Environment and Labour is to protect and promote:

- the safety of people and property;
- a healthy environment;
- employment rights;
- consumer interests and public confidence in the financial services, insurance, pension services, and alcohol and gaming sectors.

B. Planning Context

The department's mission is accomplished through a variety of both regulatory and non-regulatory measures such as public education and communications, standard setting, codes of practice, promotion of partnerships and stewardship agreements, and environmental and natural areas management programs. The department also provides dispute resolution services that promote effective workplace relationships, and provides advice, assistance, and representation to injured workers served by the Workers' Advisers Program. The departmental organizational structure supporting delivery of these services is presented in Appendix A.

The Department's planning for 2004-05 reflects a number of key issues and challenges including:

- **Focus on business process improvement**
  Business process improvement initiatives being advanced on several fronts including labour standards complaints handling, Alcohol and Gaming processes and procedures, integrated IT systems support for DEL's four inspections services components, information management systems for departmental policies, and implementation of a common administrative support platform for the agencies, boards, commissions and tribunals administered by the department are expected to contribute to improved quality and cost-effectiveness of service delivery.

- **Legislative reform**
  Legislative matters will continue to be a major focus of the department's activities in 04-05. Implementation of legislation which came into effect during 03-04, including the *Automobile Insurance Reform Act* and amendments to the *Labour Standards Code*, as well as preparation of legislation proposed for 04-05, including amendments to the *Workers Compensation Act* and the *Environment Act* will place significant demands on departmental resources.

- **Horizontal policy coordination**
  The multi-dimensional nature of many issues within DEL's mandate means that program delivery for issues as water quality, air quality, protected areas, bioterrorism, environmental health, and workplace safety is increasingly accomplished through collaborative efforts involving other departments or agencies, levels of government, or NGOs. Developing and resourcing appropriate structures and governance/accountability processes for these collaborative

undertakings continues to present challenges.

- **National/intergovernmental issues management**
  Harmonization initiatives with respect to insurance, offshore OHS, environmental assessment, pension regulation, and public safety continue to be a focus of significant activity. Through these initiatives, the department continues to work toward improving regulatory streamlining while protecting provincial authority in areas of strategic importance.

- **Regulatory reform**
  DEL is continuing its work on a regulatory policy framework to improve Nova Scotia's regulatory environment, in concert with "smart regulation" initiatives of the federal government.

- **Information management**
  The Department is developing an integrated information management system for its inspection services in the areas of OHS, public safety, environmental management, and alcohol and gaming, replacing outdated and incompatible systems in place prior to the amalgamation of these inspectorates within the restructured department. While critical to continuing improvement of the department's regulatory program delivery, this initiative can be expected to present human and budgetary resource challenges.

C. Strategic Goals

1. Promote safe and healthy workplaces/work practices and safe facilities and equipment.
2. Promote sustainable management and protection of the environment and natural areas.
3. Promote employment standards, fair processes for wage compensation, effective labour-management relations, and fairness for injured workers.
4. Promote and protect the interests of insurance and financial services consumers and pension plan members.
5. Promote consumer protection in gaming/amusement activities and the service of alcohol.
6. Carry out the department's regulatory mandate in accordance with an overall model for regulatory management based on best practices and continuous improvement principles, and developed in consultation with stakeholders, including industry, government partners, non-government organizations, and the public.

D. Core Business Areas

1. Environmental Protection and Natural Areas Management

Promotes sustainable management and protection of the environment through both regulatory and non-regulatory means, including developing and implementing plans, standards, guidelines, and policies for the management and protection of Nova Scotia's air, water and terrestrial resources including protected areas, and by providing regionally-based regulatory approval, inspection, monitoring and enforcement. Services are delivered through the following programs:

- environmental monitoring, inspection & compliance
- water & wastewater management
- solid waste resource management
- protected areas
- environmental services
- environmental assessment
- environmental industries
- environmental innovation
- environmental education.

2. Public Safety and Occupational Health & Safety

Promotes safe and healthy workplaces and safe facilities and equipment by developing and enforcing safety standards, and providing related educational and consulting support, through the following programs:

- occupational health and safety standard development
- occupational health and safety inspections, investigations and enforcement
- fire prevention, inspection, investigation and education
- fuel safety inspection and education
- boiler safety inspection
- elevators, lifts and amusement devices safety
- electrical safety
- certification of specified trades persons
- construction of safe buildings

and provides administrative support and coordination to the following agencies, boards, commissions and tribunals which provide adjudicative services for the resolution of matters related to workplace and public safety:

- Occupational Health and Safety Appeal Panel
- Crane Operators Appeal Panel
- Power Engineers and Operators Appeal Committee
- Elevators and Lifts Appeal Board.

3. Alcohol, Gaming, and Amusements Regulation

Promotes consumer protection in gaming/amusement activities and the service of alcohol, through the following programs:

- licensing and registration
- investigation and enforcement
- film classification.

4. Employment Standards & Labour Services

Promotes employment standards, fair processes for wage compensation, effective labour-management relations, and fairness for injured workers through the following programs:

- labour standards
- conciliation/mediation services
- workers' advisers program

and provides administrative support and coordination to the following agencies, boards,

commissions and tribunals which provide adjudicative services for the resolution of employment or labour-related disputes:

- Labour Relations Board/Construction Industry Panel
- Labour Standards Tribunal.

5. Pension, Financial Services, and Insurance Regulation

Promotes and protects the interests of financial services and insurance consumers and pension plan members through delivery of the following programs:

- trust and loan companies licensing and regulation
- credit unions regulation
- insurance industry regulation including auto insurance rate regulation through the Nova Scotia Insurance Review Board
- pension regulation.

E. Priorities

1. Environmental protection and natural areas management

- Continue to protect and manage provincial water resources through implementation of *A Drinking Water Strategy for Nova Scotia*. Year three of the strategy's action plan focuses on establishing municipal drinking water supply protection and treatment plans, meeting provincial standards for public drinking water supplies, encouraging municipalities to optimize treatment plant operation and performance and providing outreach information to private well owners.

- Develop a framework for managing air quality which focuses on "airsheds", or regions where ambient air quality is influenced by common emission sources. Regional or local airshed management plans will be developed to address air quality standards and objectives, assess regional or local air quality impacts, address local air quality concerns, improve monitoring, and foster continuous improvement. This initiative will be supported by ongoing work with large industrial emitters to assess and monitor the transport and deposition of air pollutants from major sources within the province.

- Protect more coastal lands and other natural areas from development, including the designation of two new wilderness areas and five nature reserves, and through private land stewardship partnerships.

- Complete amendments to the *Environment Act* to update, clarify, and strengthen the Act.

2. Public Safety and Occupational Health & Safety

- Provide training for municipal fire inspectors as required to support implementation of the *Fire Safety Act*. This program is designed to promote professionalism within the fire inspector field of practice through a recognized training program which focusses on developing effective code administration and inspection techniques.

- Implement the 2004 edition of the national fire and building codes under the *Building Code Act* and *Fire Safety Act*. While maintaining rigorous safety standards, these new codes allow for greater flexibility in construction and fire safety regulation and represent the conclusion of a ten year national review.

- Support the Province's implementation of Criminal Code amendments (Bill C-45) relative to occupational health and safety offences. Environment and Labour is participating with the Department of Justice and other agencies in defining the process whereby a criminal code investigation may be triggered in the course of compliance activities related to an occupational health and safety matter.

3. Employment Standards & Labour Services

- Establish the minimum wage advisory committee in accordance with Fall 2003 *Labour Standards Code* amendments, release the committee's report and the Minister response by March 2005.

- Provide a report to the Minister by June 30, 2004 on a review of the *Labour Standards Code* hours of work averaging provisions as they relate to the Nova Scotia construction and road building industries.

- Maintain existing service response times for conciliation requests as required under the *Trade Union Act*, and continue to offer preventative mediation programs, in support of the collective bargaining agenda in both public and private sectors anticipated for 2004-05.

<u>Priorities which contribute to red tape reduction:</u>

- By September 30, 2004, eliminate Labour Standards complaints backlog and establish and maintain service standards that ensure first call back to clients within 10 days or less of receiving the complaint.

- Participate in creation of Workplace Safety and Insurance System performance targets and development of a system-wide appeals management process, in consultation with stakeholders.

4. Pension, Financial Services, and Insurance Regulation

- Monitor and support the implementation of automobile insurance reforms introduced November 1, 2003, including coordination with the Insurance Review Board, industry and other stakeholders.

- Develop legislative and regulatory amendments under the *Credit Union Act*, in consultation with the credit union system.

- Examine and report on the use of gender as a factor in auto insurance risk classification and on rates and availability of fire, other property and liability insurance for homeowners, tenants, non-profit organizations and small business. The Department will review any recommendations for changes to the property and liability insurance market with a view to providing fairness for Nova Scotia businesses and consumers. Recommendations on the continued use of gender in auto insurance risk classification systems will be analysed for possible changes to the regulations.

Priorities which contribute to red tape reduction:

- Continue to participate in the national initiative on model pension law principles which will be used for all Canadian jurisdictions.

- Participate with other jurisdictions in developing the model insurance act and supporting regulations, and work with Legislative Counsel to develop draft legislation.

F. Budget Context

Environment and Labour			
Program and Service Area	**2003-2004 Estimate** ($thousands)	**2003-2004 Forecast** ($thousands)	**2004-2005 Estimate** ($thousands)
Ordinary Revenues	$13,323	$12,418	$16,104
TCA Purchase Requirements			
Net Program Expenses			
Administration	$857	$824	$1,032
Policy	$731	$790	$537
Boards & Commissions	$444	$668	$427
Workers' Advisers' Program	---	—	—
Alcohol & Gaming	$4,404	$4,277	$4,209
Public Safety	$2,938	$2,839	$2,782
Occupational Health & Safety	$559	$469	$364
Labour Services	$1,138	$1,088	$1,110
Labour Standards	$1,042	$1,056	$1,021
Environmental Monitoring & Compliance	$7,608	$7,014	$7,287
Environmental & Natural Areas management	$4,312	$4,251	$3,857
Information & Business Services	$2,921	$2,780	$2,924
Pension Regulation	($103)	($102)	($68)
Financial Institutions	$707	$705	$670
Total Net Program Expenses	$27,558	$26,659	$26,152
Funded Staff (FTEs)	473.0	448.6	473.8

G. Outcomes & Outcome Measures

Outcomes and Outcome Measures

Outcome	Measure	Data	Target 2004-05	Strategies to Achieve Target
Core Business Area: Environmental protection and natural areas management				
Clean and safe drinking water	percentage of population served by municipal water supplies that meet the health-based criteria for bacteriological quality, as stated in the *Guidelines for Canadian Drinking Water Quality*, at all times during the calendar year	96.5% (2001) 96.5% (2002)	maximize the percentage of population served by municipal water supplies that meet the health-based criteria for bacteriological quality	- enforce Water and Wastewater Regulations including the Guidelines for Monitoring Public Water Supplies - implement drinking water strategy - support and encourage the development of municipal water supply protection plans - promote innovative NS-based technological solutions to environmental problems
Clean air	annual total sulphur dioxide (SO_2) air emissions (tonnes) in the province	170,000 tonnes (2000) 164,000 tonnes (2001) 154,000 tonnes (2002)	25% SO_2 cap reduction (from 189,000 tonnes to 142,000 tonnes) by 2005	- work with major industrial sources to reduce emissions through the use of lower sulphur fuels
	annual total mercury (Hg) air emissions (kg) from electrical power generation in the province	267 kg (2000) 185 kg (2001) 163 kg (2002)	reduce mercury emissions from electric power generation by 30% by 2005 (to 187 kg Hg)	- work with NSPI to encourage the use of lower mercury fuels
	annual total nitrogen oxide (NO_x) air emissions (tonnes) in the province	data pending comprehensive review of NO_x air emissions	reduce NO_x emissions by 20% by 2009	- work with major industrial sources to reduce emissions - require the use of low NO_x burners (or acceptable equivalents) for new facilities and during major upgrades and refits

Nova Scotia Environment and Labour

Outcome	Measure	Data	Target 2004-05	Strategies to Achieve Target
Protected natural areas	total hectares of land protected through DEL program options	287,028 ha of Nova Scotia (2001-02) 287,320 ha (2002-03)	increase the hectares of land under various protection options	- conduct resource inventories and area assessments - conduct public consultations - encourage private land stewardship - participate in Crown land planning - support partnership agreements
Shared responsibility for environmental management	number of Solid Waste Regions, and the percentage of population they represent, that achieve 50% or more diversion from disposal	≥ 50% diversion in 2 SW Regions (48% of population) (2000-01) 1 SW Region (39% of population) (2001-02) 2 SW Regions (49% of population) (2002-03)	≥ 50% diversion in 7 SW Regions (100% of population)	- work with municipalities - education - enforcement - centralized composting in CBRM and Inverness - C & D diversion - development of full containment landfills
	total number of product sectors under voluntary or mandatory stewardship agreements	7 of 13 targeted products (2001-02) 9 of 13 (2002-03)	13 targeted product sectors	- work with RRFB Nova Scotia - consult and negotiate with industry regarding targeted products including such things as dairy containers, newspapers, residential sharps, beverage containers, tires, used oil, paint, telephone books, marine distress signals, electronic goods, fast food packaging, oil containers, household hazardous waste, plastic film, flyers and magazines - legislation

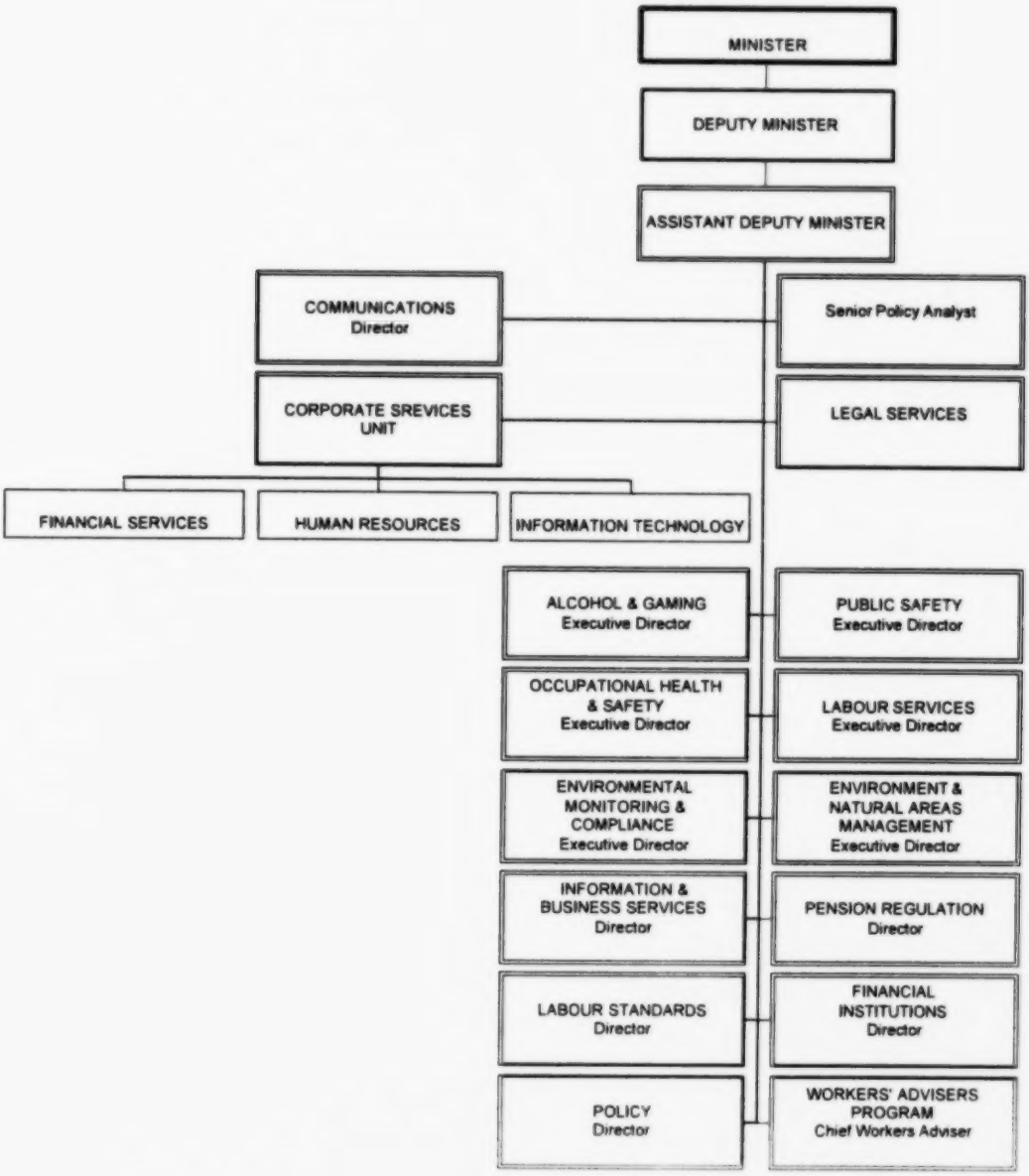
Outcome	Measure	Data	Target 2004-05	Strategies to Achieve Target
Proactive environmental management	total number of business sectors and municipalities participating with DEL in environmental management and/or pollution prevention programs and initiatives	5 participating sectors, municipalities (2001-02) 6 (2002-03)	increase number of participating sectors, municipalities	- provide technical assistance - facilitate/participate in demonstration projects - partner with funding agencies/other levels of government - partner with business associations to initiate new plans
Efficient and effective program delivery	percentage of industrial facility approvals to which a Risk-Based Inspection and Auditing (RBIA) Program has been applied	20% of industrial facility approvals (2001-02) 80 % (2002-03)	60% of industrial facility approvals *(target under review)*	- validate data-based assessments at facilities and develop a schedule for RBIA - develop and implement enforcement policy
	average administrative time (days) to process applications for the approval of the installation of on-site sewage disposal systems	40 days (2000-01) 28 days (2001-02) 28 days (2002-03)	20 days (50% reduction in time)	- ongoing process re-design (Note - legislation specifies 60 day turnaround time)
Core Business Area: Public Safety and Occupational Health and Safety				
A safe work environment	annual percentage of targeted inspections where an occupational health and safety order is not issued	46% (2001) 52% (2002)	increase the percentage from the base year measure	- work with the WCB to increase OH&S promotion and education - continue to develop a targeted risk-based inspection system

Outcome	Measure	Data	Target 2004-05	Strategies to Achieve Target
	annual average number of registered Workers' Compensation Board claims per hundred employees, compared to the five-year running average	8.31 per 100 (2000) 8.24 per 100 (1996-2000) 8.20 per 100 (2001) 8.38 per 100 (1997-2001) 7.91 per 100 (2002) 8.29 per 100 (1998-2002)	annual target to maintain or decrease number of claims relative to five year running average	- work closely with WCB to identify high accident firms, sectors and types of accidents - work with the WCB to increase OH&S promotion and education - continue to develop a targeted risk-based inspection system
A safe work environment (cont)	average number of compensable days for all compensable time loss claims filed in the year and receiving benefits during the year, compared to the five-year running average	29.45 days (2000) 26.19 days (1996-2000) 31.60 days (2001) 28.17 days (1997-2001) 36.86 days (2002) 30.52 days (1998-2002)	annual target to maintain or decrease the average number of days relative to the five year running average	- work closely with WCB to identify high accident firms, sectors and types of accidents - work with WCB to increase OH&S promotion and education - continue to develop a targeted risk-based inspection system
Safe public places	annual number of incidents reported involving injury from elevators and lifts per 100 units licensed in the province	0.56 incidents per 100 units licensed (2000) 0.61 incidents per 100 units licensed (2001) 0.23 incidents per 100 units licensed (2002)	incident rate at or below base-year measure	- ongoing consultation with industry - targeted inspections - enforcement
Core Business Area: **Alcohol, Gaming and Amusement Regulation**				

Outcome	Measure	Data	Target 2004-05	Strategies to Achieve Target
Consumer protection related to alcohol, gaming and amusement activity	percentage of liquor, gaming and amusement licensees inspected per year that are in compliance with acts and regulations	98% (2000) 95% (2001) 96% (2002)	greater than 95% compliance rate	- increase focus on type of inspection and/or investigation - monitor problem areas - work with licensees to increase awareness of regulations and policies
Core Business Area: Employment Standards & Labour Services				
Efficient and effective client service	percentage of complaints resolved by Early Intervention	25% (2001-02)	25%	- amend current work flow and processes - implement human resources plan
Stable labour relations environment	percentage of working time lost per year due to strikes and lockouts in NS compared with the annual national average	0.01% NS 0.05% National (2000) 0.04% NS 0.07% National (2001) 0.02% NS 0.09% National (2002)	annual target to meet or be less than the annual national average	- effective use of conciliation and mediation processes
Core Business Area: Pension, Financial Services and Insurance Regulation				
Security of retirement income for members of private pension plans	percentage of plan members covered by pension plans registered with the province that are (a) 100% funded; or (b) have a strategy in place to achieve full funding within 5 years	(a) 93% fully (b) 7% strategy (2001) (a) 82% fully (b) 18% strategy (2002)	100% of members are covered by fully funded plans or plans with an approved strategy	- ongoing review and analysis of valuation reports and data to identify solvency and funding problems - oversee employer payments required under legislation to bring the pension to full funding - any plan that is less than 100% funded must file a strategy with the Department to get 100% funding within 5 years - Superintendent has the authority under the Pension Benefits Act to order payment, if necessary

Appendix A

Nova Scotia Environment and Labour Organizational Chart



NS Utility & Review Board
Workers' Compensation Board * See Appendix B
NS Securities Commission
Other Agencies, Boards, Commissions & Tribunals

Appendix B

Nova Scotia Environment and Labour
Agencies, Boards and Commissions
as of March 2004

Adjudicative Boards	Non-Adjudicative Boards
Board of Examiners for the Certification of Blasters	Crane Operators Examination Committee
Construction Industry Panel	Credit Union Deposit Insurance Corporation Board
Crane Operators Appeal Board	Fire Safety Advisory Council
Elevators and Lifts Appeal Board	Fire Services Advisory Committee
Environmental Assessment Board	Fuel Safety Advisory Council
Fire Safety Appeal Board Appeals heard by Utility and Review Board	Maritime Film Classifiers - Alcohol and Gaming
Insurance Review Board (R. Russell - Minister responsible for Insurance)	Minimum Wage Review Committee
Labour Relations Board	Occupational Health and Safety Advisory Committee
Labour Standards Tribunal	Power Engineers and Operators Board
Nova Scotia Building Advisory Council	Resource Recovery Fund Board
Nova Scotia Securities Commission	Workers' Compensation Board
Occupational Health and Safety Appeal Panel	
On-Site Services Advisory Board	
Power Engineers and Operators Appeal Committee	
Radiation Health Advisory Committee	
Utility and Review Board	